



# BUDUCNOST JSC PRESEVO

## Presevo



# General Information

Full legal name	ENTERPRISE OF BUILDING MATERIAL BUDUCNOST JSC PRESEVO, PRESEVO
Address	No. 38 Dimitrija Tucovica Street
Identification Number	07179243
Core activity	Manufacturing of lime and plaster
Foundation Year	1962
Number of Employees	55



## Capital structure (in %)

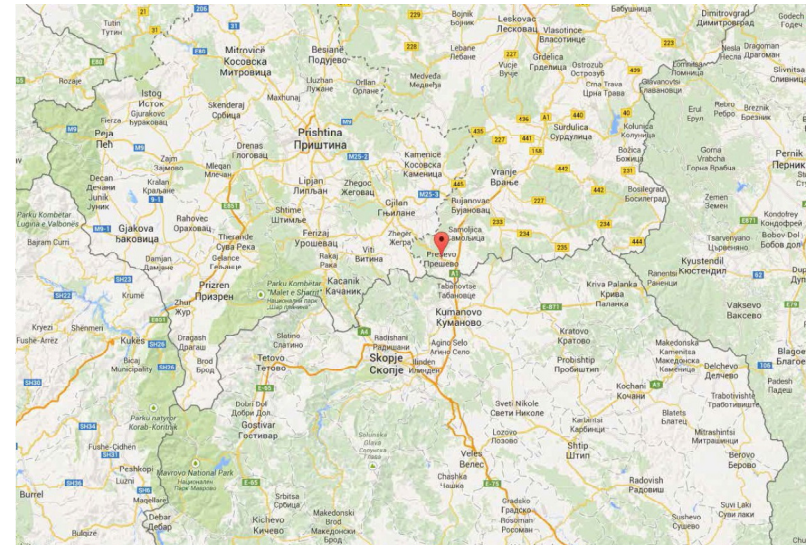
Shareholders' fund	0.12
Privatization Agency	95.50
Others	4.38

# General Information



## Distance from the Company to:

Belgrade	400 km
Regional Center	45 km
Main road	7 km
Port	400 km
Railway	5 km



# Location



**PREŠEVO**  
Pan-European Transport Corridors

Geographical location of ENTERPRISE OF BUILDING MATERIAL BUDUCNOST JSC PRESEVO, PRESEVO is of strategic importance in the market area of sougtheaste Europe and provides oportunity for intensive bussines cooperation. Presevo is a town and municipality in the Pčinja District of southern Serbia, bordering Republic of Macedonia. It is the largest town of the region known as the Preševo Valley.



# Tradition



The company building materials, BUDUCNOST JSC PRESEVO, was founded in 1960 and regular production started in 1962.

From its founding until 2009, the company is engaged in manufacturing of lime and stone. During 2009, discontinued the production of lime and started production of stone limestone aggregates for concrete, asphalt and production of tampons for business activity.

BUDUCNOST JSC PREŠEVO has huge reserves certified mermerisanog limestone, and also has a bearing igneous rocks (basalt) that are not yet exploited.

# Production



BUDUCNOST JSC PREŠEVO is engaged in the production and sale of lime and aggregates:

- Limestone aggregate (0-2 mm)
- Limestone aggregate (2-4 mm)
- Limestone aggregate (0-4 mm)
- Limestone aggregate (4-8 mm)
- Limestone aggregate (8-11, 11-16, 16-22 mm)
- Limestone bulk (0-31.5, 0-32, 0-60 mm)
- Limestone bulk (31.5-63 mm)
- Limestone (80-150 mm)
- Limestone quarried stone
- Limestone (stone) tailings
- Filer



# Certificates



## **Quality assurance certificate ISO 9001**

Company does not own quality assurance certificate ISO 9001

## **Ecology**

According to applicable regulations, the requirements for environment protection are fulfilled.

# Land and Buildings



Assets of a company are grouped in three locations:

**1.CM Presevo**, private ownership, size 3 ha 65 a 59 m<sup>2</sup> - at this location is an administrative building, a reception desk, restaurant, weighbridge, garage, warehouse and workshop, substations, building hydration with extra sheds, workshop with tools, lime pits and production facility fillers. The entire complex is equipped with utilities and infrastructure.

**2.CM Trnava**, private property, the area of 13 ha 99 a 64 m<sup>2</sup> - at this location is crushing plant, consisting of primary hopper dispenser, primary crusher, command home and conveyor belt, substation with transmission line.

**3.CM Slavujevac**, private ownership, size 7 ha 87 a 98 m<sup>2</sup> - at this location is the old abandoned quarry. This location has a bearing igneous rocks (basalt) that are not yet exploited.

The total area of land that the company owns is 255 321 m<sup>2</sup>.





# Production and Capacity



Product	Unit	Quantity			Value in EUR		
		2011	2012	2012	2011	2012	2013
crushed stone	t	187,010	386,027	501,202	1.138.341	1.605.212	2.118.105

## Capacity utilization

Machine (Production line)	Unit	Installed capacity	Real capacity	% of utilization		
				2011	2012	2013
Crushing plant with separation	set	220t/h	220t/h	50.00	66.00	83.00
Limekiln (out of use due to obsolescence of technology)	set	50t/h	50t/h	0	0	0
Filler plant (regular)	set	2t/h	2t/h	3.00	N/a	N/a



# Realization



## Movement in sale volume

Product	Unit	Quantity sold			Value in EUR		
		2011	2012	2013	2011	2012	2013
Crushed stone	t	188,221	395,792	493,277	918.417	1.702.760	2.204.609
Filler	t	263	0	0	6.286.500	0	0
<b>TOTAL</b>					<b>7.204.917</b>	<b>1.702.760</b>	<b>2.204.609</b>

## Sales structure

Sales structure in %	2011	2012	2013
Domestic market	100.00	100.00	100.00
Foreign market	0.00	0.00	0.00
<b>TOTAL :</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## Distribution channels

Distribution channels	% of share
Direct sale	0.00
Wholesale	95.02
Retail	4.98
Intermediaries	0.00



# Organization



## EMPLOYEES



### Number of employees

Working	54
Paid leave	1
Unpaid leave	0
Other (sick leave, vacation, etc.)	0
<b>TOTAL NUMBER OF EMPLOYEES</b>	<b>55</b>

### Age structure of employees

Age	-25	25-35	35-40	40-45	45-50	50-55	55+
Number	1	3	3	13	17	7	11

### Average salaries in EUR

(gross and net) in 2011, 2012 and 2013

Year	Gross	Net
2011	479	311
2012	470	338
2013	582	418



# FINANCIAL INDICATORS



	Value in EUR		
	31/12/2011	31/12/2012	31/12/2013
CURRENT ASSETS	2.296.884	2.203.313	2.396.205
FIXED ASSETS	3.525.505	3.014.880	4.429.176
TOTAL EQUITY	3.896.048	3.779.304	5.648.876



A) Information contain in this document is based on the data recieved from the company, and as such has not been verified by the Privatization Agency. Accordingly, the Privatization Agency shall have no liability with respect to the accuracy and validity of the information contained here in.

B) Pursuant to the law, enterprises from the Republic of Serbia were obliged as of 2004 to prepare Financial Statements in accordance with the International Standards of Financial Reports (ISFR).

# SWOT Analysys

## STRENGTHS:

The company is located in southern Serbia near the Corridor 10 (E75), and possesses large reserves of certified marble limestone. The only one within 150km area engaged in this activity. It has a bearing of igneous rocks (basalt) that is not in use due to obsolete equipment and lack of funds.

Construction of a new limekiln is one of the priorities in this area since there is a great demand for this product

## OPPORTUNITIES:

Modernization of separation with extraction and production of micronized mineral filler which has applications in chemical and rubber industry, also the construction of a new limekiln would provide products for construction and chemical industry, water softening and supply for the wastewater treatment plants.



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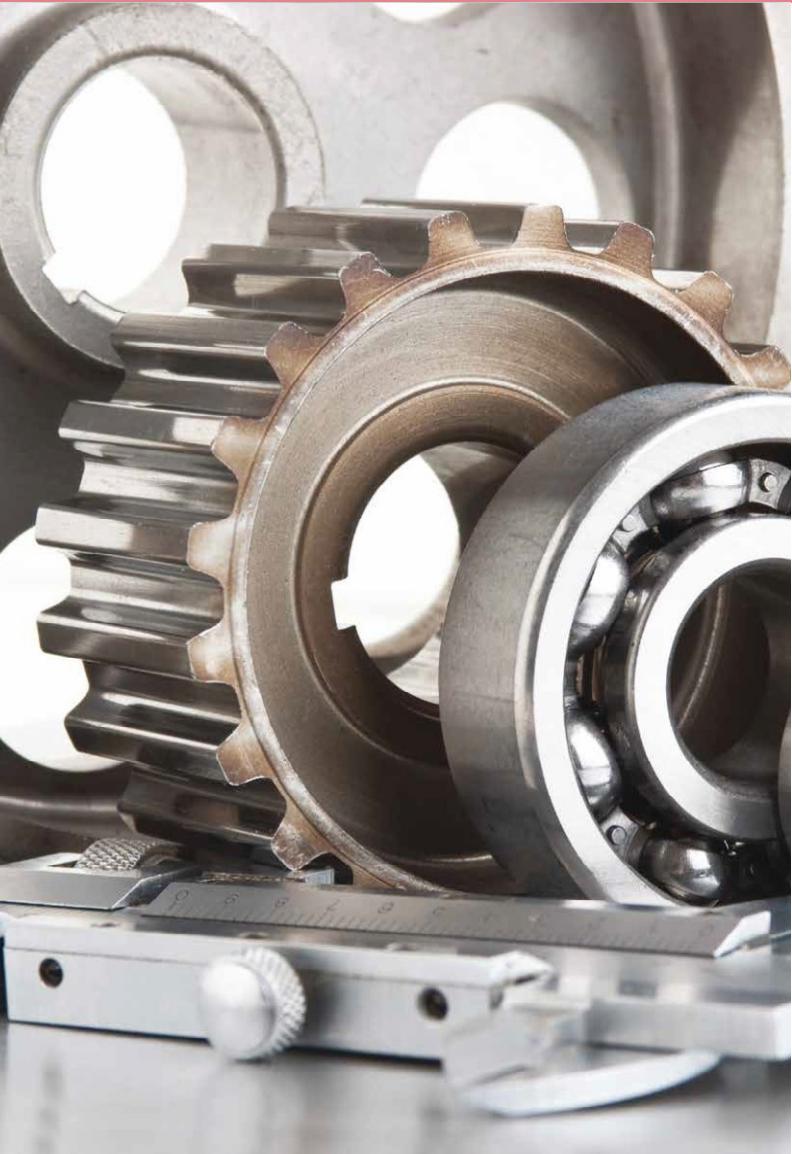
## WEAKNESS:

Modernization of separation with extraction and production of micronized mineral filler and construction of a new limekiln plant.

## THREATS:

None if the above is achieved

# Advantages of Investing in Serbia



Favorable geographic position, owing to which any shipment can reach any location in Europe within 24 hours

Highly educated and cheap labor force Restructured and stable financial system

Simple procedures for a company start-up and registration

Simple procedures for foreign trade transactions and foreign investments Several free trade agreements have been signed, ensuring supply of goods to nearly 800 million consumers:

- In March 2012 Serbia was granted the candidates status by the EC
- CEFTA
- Agreement with the EFTA members
- Autonomous trade preferences granted by the EU in December 2000, and implementation of the Interim Trade Agreement with the EU started in February 2010
- Agreement with the Russian Federation, Belarus and Kazakhstan
- Agreement with Turkey

# Contact



Republic of Serbia

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